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October 15, 2007

VIA E-FILING

Charles L.A. Terreni, Esquire
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Application of Carolina Water Service, Incorporated for Approval of an Expansion of Its Existing Sewer Service Area to Include Portions of Lexington County Adjacent to Its Watagate Service Area Pursuant to Contract with a Bulk Sewage Treatment and Service Area Agreement with the Town of Lexington
Docket No. 2007-280-S

Dear Mr. Terreni:

This letter is in response to the Directive issued on October 10, 2007 in this matter by the Public Service Commission of South Carolina ("the Commission"). The Directive notes that Carolina Water Service, Inc.'s ("CWS's") request to serve the Kingston Harbor Subdivision is granted, but that consideration of the full CWS proposal in this docket is suspended until the South Carolina Office of Regulatory Staff ("ORS") has had time to further evaluate the petition.

ORS's understanding of CWS's letter filed on October 2, 2007 with the Commission is that CWS was limiting its Application to the request only to serve Kingston Harbor. Based on CWS's letter, letters submitted by Representative Ted Pitts and the Town of Lexington and ORS's own review, ORS put forth no objection to CWS servicing Kingston Harbor and respectfully submits that it is not planning further review of the Application submitted under Docket 2007-280-S. ORS understands that CWS will file a new Application or provide further notification to the Commission if CWS seeks to serve the remaining areas referenced in the Application in this docket.

Respectfully submitted,

Shannon Bowyer Hudson
Shannon Bowyer Hudson

cc: The Honorable Edward H. "Ted" Pitts, Jr.
Mr. James Duckett, Administrator, Town of Lexington
John M.S. Hoefler, Esquire